

HOUSE BILL 2467

By DeBerry

AN ACT to amend Tennessee Code Annotated, Title 67,  
Chapter 6, relative to taxes on the sale of food at  
retail.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-228(a), is amended by deleting the language "shall be taxed at the rate of four percent (4%) of the sales price." and substituting instead the following:

shall be taxed as follows:

- (1) For sales occurring before July 1, 2018, at the rate of four percent (4%) of the sales price;
- (2) For sales occurring on or after July 1, 2018, but before July 1, 2019, at the rate of three percent (3%) of the sales price;
- (3) For sales occurring on or after July 1, 2019, but before July 1, 2020, at the rate of two percent (2%) of the sales price;
- (4) For sales occurring on or after July 1, 2020, but before July 1, 2021, at the rate of one percent (1%) of the sales price; and
- (5) For sales occurring on or after July 1, 2021, at the rate of zero percent (0%) of the sales price.

SECTION 2. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by adding the following as a new section:

There is exempt from the tax imposed by this chapter the retail sale of food and food ingredients for human consumption; provided, however, that the retail sale of food

and food ingredients sold as prepared food, alcoholic beverages, candy, dietary supplements, and tobacco is not exempt from the tax imposed by this chapter.

SECTION 3. Section 1 of this act shall take effect upon becoming a law, the public welfare requiring it. Section 2 of this act shall take effect July 1, 2021, the public welfare requiring it.